

Message Text

CONFIDENTIAL

PAGE 01 MANAMA 01577 201648Z
ACTION NEA-10

INFO OCT-01 ISO-00 EB-07 COME-00 /018 W
-----000745 210258Z /13

R 201418Z JUL 77

FM AMEMBASSY MANAMA BAHRAIN

TO SECSTATE WASH DC 4971

INFO AMEMBASSY ABU DHABI UAE

USINT BAGHDAD IRAQ

AMCONSUL DHAHRAN SAUDI ARABIA

AMEMBASSY DAMASCUS SYRIA

AMEMBASSY CAIRO EGYPT

AMEMBASSY DOHA QATAR

AMEMBASSY JIDDA SAUDI ARABIA

AMEMBASSY KUWAIT KUWAIT

C O N F I D E N T I A L MANAMA 1577

E.O. 11652: N/A

TAGS: ETRD, EALR, BEXP, BA, XF

SUBJECT: ARAB BOYCOTT OF ISRAEL: VISIT OF FORD MOTOR
COMPANY EXECUTIVES TO BAHRAIN

REF: STATE 159029 (NOTAL)

1. AS NOTED REFTEL, WAYNE FREDERICKS (FORD MOTOR COMPANY DIRECTOR OF INTERNATIONAL GOVERNMENTAL AFFAIRS), EDSON WILLIAMS (PRESIDENT OF FORD MIDDLE EAST AND AFRICA) AND JOHN HUBBARD (PRESIDENT, UNIVERSITY OF SOUTHERN CALIFORNIA) VISITED BAHRAIN JULY 15-18 AS GUESTS OF THE PRIME MINISTER, SHAIKH KHALIFA BIN SALMAN AL KHALIFA. THE THREE MET WITH SEVERAL IMPORTANT CABINET MEMBERS, IN ADDITION TO THE PRIME MINISTER, AND WERE INFORMED THAT PRIME MINISTER WAS PREPARED TO TAKE A PERSONAL INITIATIVE WITH THE CENTRAL BOYCOTT OFFICE BY WRITING A FORMAL, BUT APPARENTLY "NON-GOVERNMENTAL", LETTER TO THE DAMASCUS OFFICE STATING THAT IN VIEW OF FORD'S INTERNATIONAL STATURE AND INVESTMENT INTENTION IN THE ARAB WORLD, IT SHOULD BE REMOVED FROM THE BOYCOTT LIST.

CONFIDENTIAL

CONFIDENTIAL

PAGE 02 MANAMA 01577 201648Z

2. WHILE THE SPECIFIC TEXT OF THE PROPOSED LETTER WAS STILL VAGUE BY THE TIME THE GROUP LEFT BAHRAIN, WE UNDERSTOOD THAT IT WOULD BE SENT, COVERING A LETTER FROM FORD TO THE PRIME MINISTER IN WHICH FORD WOULD DESCRIBE ITS MIDDLE EAST PRESENCE AND PLANS FOR THE FUTURE. FREDERICKS SAID FORD WOULD BEGIN WORK SOON ON ITS LETTER TO PRIME MINISTER.

3. WHEN THE FORD EXECUTIVES AND USC PRESIDENT ASKED EMBASSY VIEWS OF THE PRIME MINISTER'S INITIATIVE, WE RESPONDED THAT IT WAS UNCHARACTERISTIC OF THE BAHRAINIS TO TAKE INITIATIVES REGARDING THE BOYCOTT, ALTHOUGH THEY SUPPORTED THE 'MODERATES' WITHIN THE ARAB WORLD IN GENERAL AND CERTAINLY SO ON THE BOYCOTT ISSUE. WHEN ASKED WHETHER WE THOUGHT THE INITIATIVE HAD BEEN 'CLEARED' BY THE SAUDIS, WE DESCRIBED BAHRAINI SENSITIVITY TO SAUDI VIEWS BUT ALSO NOTED THAT IT IS A COMMONLY MADE ERROR TO ASSUME THAT EVERYTHING THE BAHRAINIS DO HAS SAUDI BACKING OR CLEARANCE. WE AGREED THAT IS SEEMED HARD TO IMAGINE THE INITIATIVE DAMAGING FORD IN ANY WAY -- EVEN THOUGH IT ALSO SEEMED HARD TO IMAGINE IT HAVING MUCH IMPACT, UNLESS IT WAS ONE OF SEVERAL INITIATIVES MADE AT THE SAME TIME.

4. WE ALSO REMINDED THE FORD EXECUTIVES THAT SHAIKH KHALIFA, THROUGH ONE OF HIS BUSINESS MANAGERS, IS PERSONALLY INTERESTED IN THE FORD AGENCY, WERE FORD TO BE TAKEN OFF THE LIST. THAT INTEREST TOO IS LOCALLY COMPLICATED FOR FORD SINCE ITS TWO FORMER AGENTS ARE BOTH POWERFUL AND ACTIVE MERCHANT FAMILIES WITH WHICH THE RULING FAMILY DOES NOT USUALLY COMPETE IN THE MARKETPLACE.

5. IN A SEPARATE CONVERSATION WITH THE AMBASSADOR, THE FOREIGN MINISTER, WHO HAD ALSO MET WITH FORD VISITORS, SAID
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 MANAMA 01577 201648Z

THAT HE PERSONALLY THOUGHT THAT FORD WAS ACTING TOO CAUTIOUSLY AND THAT IT SHOULD MOVE BOLDLY TO GET ITSELF REMOVED FROM THE BOYCOTT LIST. SPECIFICALLY, HE THOUGHT THAT FORD SHOULD ANNOUNCE DEFINITE PLANS TO EXPAND ITS ALEXANDRIA FACILITY AND RIDE THE EGYPTIANS HARD UNTIL THEY AGREED TO TAKE SERIOUS, PUBLIC STEPS TO GET THE COMPANY OFF THE LIST. HE SAID ARAB WORLD, PARTICULARLY EGYPT, NEEDED FORD AND WHEN ARABS NEED SOMETHING THEY CAN ARRANGE TO GET IT. IN THIS REGARD, HE SAID KAISER HAD HAD "SOME BOYCOTT PROBLEM" BUT THAT BAHRAIN HAD HELPED RESOLVE THESE WHEN KAISER'S PARTICIPATION IN ALUMINIUM SMELTER HERE HAD SERVED BAHRAIN INTERESTS.

6. FORD REPRESENTATIVES WERE NOT FORTHCOMING ABOUT DETAILS OF THEIR INTERESTS IN ALUMINUM BUT WE SUSPECT FORD MAY BE HOPING TO EASE ITS BOYCOTT PROBLEMS BY PREPARING TO BROADEN ITS BUSINESS DEALINGS IN ARAB WORLD. FORD AGREEMENT TO CONSIDER BUYING ALUMINUM HERE, AT TIME WHEN SMELTER HAVING MARKETING DIFFICULTIES, COULD EXPLAIN PRIME MINISTER'S WILLINGNESS TO GET OUT IN FRONT FOR FORD WITH BOYCOTT AUTHORITIES.
CLUVERIUS

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: BUSINESSMEN, BOYCOTTS, VISITS, FOREIGN INVESTMENTS
Control Number: n/a
Copy: SINGLE
Sent Date: 20-Jul-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977MANAMA01577
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D770258-0962
Format: TEL
From: MANAMA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770739/aaaabhbp.tel
Line Count: 115
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 5d220467-c288-dd11-92da-001cc4696bcc
Office: ACTION NEA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 77 STATE 159029
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 02-Dec-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1805385
Secure: OPEN
Status: NATIVE
Subject: ARAB BOYCOTT OF ISRAEL: VISIT OF FORD MOTOR COMPANY EXECUTIVES TO BAHRAIN
TAGS: ETRD, EALR, BEXP, BA, XF, FORD MOTOR CO, (FREDERICKS, WAYNE), (WILLIAMS, EDSON), (HUBBARD, JOHN)
To: STATE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/5d220467-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009